EXHIBIT B

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September 22, 2000

## VIA FEDERAL EXPRESS

Ms. Sonia Lizan-O'Halloran Verizon Services Corp. 1095 Avenue of the Americas, Room 1435F New York, New York 10036

Re:

Adoption Letter for North County Communications

Corporation for the State of West Virginia

Dear Ms Lizan-O'Halloran:

Enclosed please find two executed original copies of the adoption letter of the arbitrated interconnection agreement entered into between MCImetro Access Transmission Services, Inc. and Verizon West Virginia Inc. Please file same with the Public Service Commission of West Virginia as soon as possible.

Should you have any questions please do not hesitate to contact me.

Sincetely.

David O. Klein

Enc.

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Vertzon Services Corp. 1320 North Courthouse Road, 2<sup>nd</sup> Floor Arlington, Virginia 2220!

Tel. 703-974-4610 Fax 703-974-0314

Jeffrey A. Masoner
Vice President-Interconnection Services



September 6, 2000

David O. Klein, Esq. Klein, Zelman, Rothermel & Dichter485 Madison Avenue New York, NY 10022

Dear Mr. Klein:

Verizon West Virginia Inc, f/k/a Bell Atlantic – West Virginia, Inc. ("Verizon"), has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the "Act"), North County Communications Corporation ("North County") wishes to adopt the terms of the arbitrated Interconnection Agreement between McImetro Access Transmission Services, Inc. ("McIm") and Verizon that was approved by the West Virginia Public Service Commission (the "Commission") as an effective agreement in the State of West Virginia in Docket No. 97-1219-T-PC (the "Terms"). I understand you have a copy of the Terms. Please note the following with respect to North County's adoption of the Terms.

- I. By North County's countersignature on this letter, North County hereby represents and agrees to the following three points:
  - (A) North County adopts (and agrees to be bound by) the Terms of the MCIm arbitrated agreement for interconnection with Verizon as it is in effect on the date hereof after giving effect to operation of law, and in applying the Terms, agrees that North County shall be substituted in place of MCImetro Access Transmission Services, Inc. and MCIm in the Terms wherever appropriate.
  - (B) North County requests that notice to North County as may be required under the Terms shall be provided as follows:

To: David O. Klein

Klein, Zelman, Rothermel & Dichter

485 Madison Avenue New York, NY 10022

Tel: 212-935-6020 Fax: 212-753-8101

<sup>&</sup>lt;sup>1</sup> These "agreements" are not agreements in the generally accepted understanding of that term. Verizon was required to accept these agreements, which were required to reflect then-effective FCC rules and other applicable law.

David O. Klein, Esq. September 6, 2000 Page 2

- (C) North County represents and warrants that it is a certified provider of local telecommunications service in the State of West Virginia, and that its adoption of the Terms will cover services in the State of West Virginia only.
- 2. North County's adoption of the MCIm agreement arbitrated Terms shall become effective upon the date of filing of this letter with the Commission (which filing Verizon will promptly make upon receipt of an original of this adoption letter countersigned by North County) and remain in effect no longer than the date the MCIm agreement arbitrated Terms are terminated or expire. The MCIm arbitrated agreement is currently scheduled to expire on September 30, 2001.
- 3. As the Terms are being adopted by you pursuant to your statutory rights under section 252(i), Verizon does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by Verizon of the Terms does not in any way constitute a waiver by Verizon of its position as to the illegality or unreasonableness of the Terms or a portion thereof, nor does it constitute a waiver by Verizon of all rights and remedies it may have to seek review of the Terms, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission pursuant to arbitration in Docket No. 97-1219-T-PC, or to seek review in any way of any provisions included in these Terms as a result of North County's 252(i) election.
- on January 25, 1999, the Supreme Court of the United States ("Court") issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. Specifically, the Supreme Court modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements under the Act. AT&T Corp. v. Iowa Utilities Board, 119 S. Ct. 721 (1999). Certain provisions of the Terms may be void or unenforceable as a result of the Court's decision of January 25, 1999, the United States Eighth Circuit Court of Appeals' recent decision in Docket No. 96-3321 regarding the FCC's pricing rules, and the current appeal before the U.S. Supreme Court regarding the FCC's new UNE rules. Moreover, nothing herein shall be construed as or is intended to be a concession or admission by Verizon that any contractual provision required by the Commission in Docket No. 97-1219-T-PC (the MCIm arbitration) or any provision in the Terms complies with the rights and duties imposed by the Act, the decision of the FCC and the Commissions, the decisions of the courts, or other law, and Verizon expressly reserves its full right to assert and pursue claims arising from or related to the Terms.
- 5. Verizon reserves the right to deny North County's adoption and/or application of the Terms, in whole or in part, at any time:
  - (a) when the costs of providing the Terms to North County are greater than the costs of providing them to MCIm;
  - (b) if the provision of the Terms to North County is not technically feasible; and/or
  - (c) to the extent that Verizon otherwise is not required to make the Terms available to North County under applicable law.

David O. Klein, Esq. September 6, 2000 Page 3

As noted above, pursuant to Rule 809, the FCC gave ILECs the ability to deny 252(i) 6. adoptions in those instances where the cost of providing the service to the requesting carrier is higher than that incurred to serve the initial carrier or there is a technical incompatibility issue. The issue of reciprocal compensation for traffic destined for the Internet falls within this exception. Verizon never intended for Internet traffic passing through a telecommunications carrier to be included within the definition of local traffic and subject to the corresponding obligation of reciprocal compensation. . Whatever doubt any party may have had with respect to this issue was removed by the Declaratory Ruling that the Federal Communications Commission (the "FCC") released on February 26, 1999 which, among other things, "conclude[d] . . . that ISP-bound traffic is non-local interstate traffic." The FCC also reaffirmed that "section 251(b)(5) of the Act and [the FCCI rules promulgated pursuant to that provision concern inter-carrier compensation for interconnected local telecommunications traffic." Based on the FCC's Declaratory Ruling (among other things), it is clear that Internet traffic is not local traffic. Despite the foregoing, some forums have required reciprocal compensation to be paid. This produces the situation where the cost of providing the service is not cost based. With this in mind, Verizon opposes, and reserves the right to deny, the adoption and/or the application of the provisions of the Terms that might be interpreted to characterize traffic destined for Internet as local traffic or requiring the payment of reciprocal compensation. However, Verizon shall, in any case, comply with the requirements of applicable law with respect to this issue.

<sup>3</sup> <u>Id</u>. (emphasis in original).

<sup>&</sup>lt;sup>2</sup> Declaratory Ruling in FCC CC Docket No. 96-98 and Notice of Proposed Rulemaking in CC Docket No. 99-68 (ref. February 26, 1999), fn. 87. The D.C. Circuit Court has recently asked the FCC to explain more fully its reasoning in arriving at this conclusion in the Declaratory Ruling, but it has not rejected the conclusion. The FCC, moreover, has publicly since reiterated the correctness of its conclusion.

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David O. Klein, Esq. September 6, 2000 Page 4

Should North County attempt to apply the Terms in a manner that conflicts with 7. paragraphs 3-6 above, Verizon reserves its rights to seek appropriate legal and/or equitable relief.

Please sign this letter on the space provided below.

Sincerely,

VERIZON WEST VIRGINIA INC.

Jeffrey A. Masoner Vice President - Interconnection Services

Reviewed and countersigned as to points A, B, and C of paragraph 1:

NORTH COUNTY COMMUNICATIONS CORPORATION

Sonia Lizan-O'Halloran - Verizon Ç;